



Water Infrastructure Finance Authority of Arizona

NEWS RELEASE

1110 West Washington, Suite 290 • Phoenix, Arizona

Date: April 14, 2008

Contact: Veronica Rivera, Communications Director: (602) 364-1236

WIFA Chairman Steve Owens Announces \$8.5 Million Loan to Flagstaff for New Drinking Water Wells

PHOENIX (April 14, 2008) – Water Infrastructure Finance Authority (WIFA) of Arizona Chairman Steve Owens announced today that the WIFA Board of Directors has approved a low-interest \$8.5 million loan to Flagstaff to drill and equip four new wells to help meet the drinking water needs of the city's nearly 60,000 residents.

In May 2004, Flagstaff voters approved a bond to install four groundwater wells to meet the growing demand for drinking water. Because the geology of Flagstaff makes ground water difficult to find, a geophysical survey determined the best places to dig wells. The city now draws its supply from surface and ground water, but drought has kept surface water levels low.

"By committing to the exploration of additional well sites, Flagstaff is ensuring its water resources and to meet its current and future growth," said Chairman Owens, who is also the Director of the Arizona Department of Environmental Quality (ADEQ). "This is not just a loan. It is an important investment in Flagstaff's future."

Owens added that because of its low interest rate, the WIFA loan will save the city an estimated \$500,000 compared to a commercial loan over the life of the loan. "This loan will save Flagstaff a lot of money, in addition to helping the city meet its future drinking water needs," Owens said.

The Water Infrastructure Finance Authority of Arizona maintains and improves water quality in Arizona by providing communities and private water systems with access to low-interest financial assistance and technical assistance needed for basic water infrastructure. For more information, please visit WIFA's Web site at www.azwifa.gov.